

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND ADMINISTRATION COMMITTEE
NOVEMBER 2025 MEETING

10:20 – 11:00 a.m. EST
Friday
November 14, 2025

East Tennessee Room
D.P. Culp Student Center
412 J.L. Seehorn Road
Johnson City, TN

COMMITTEE MEMBERS

Steve DeCarlo, Committee Chair
Charles Allen, Jr.
Melissa Steagall-Jones
Grant Summers
Aashi Vora

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AGENDA

- I. Call to Order
- II. Roll Call
- III. [Approval of the Committee Minutes from September 12, 2025](#)
- IV. [Action Item: Approval of FY26 October Revised Budgets](#) – *Graham* (10 minutes)
- V. [Quarterly Financial Update](#) – *Graham* (10 minutes)
- VI. [Annual Presentation of Tuition Transparency Report](#) – *Graham* (5 minutes)
- VII. [Quarterly Report of Agreements \\$250,000 or Greater](#) – *Graham* (5 minutes)
- VIII. Other Business
- IX. Adjournment

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: November 14, 2025

ITEM: Approval of the Minutes from September 12, 2025

COMMITTEE: Finance and Administration

RECOMMENDED ACTION: Approve

PRESENTED BY: Dr. Adam Green
Board Secretary

The minutes of the September 12, 2025, quarterly meeting of the Finance and Administration Committee are included in the meeting materials.

MOTION: I move that the Board of Trustees adopt the resolution, approving the minutes as outlined in the meeting materials.

RESOLVED: The reading of the minutes of the September 12, 2025, meeting of the Finance and Administration Committee is omitted, and the minutes are approved as presented in the meeting materials, provided that the Secretary is authorized to make any necessary edits to correct spelling errors, grammatical errors, format errors, or other technical errors subsequently identified.

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE AND ADMINISTRATION COMMITTEE

MINUTES

September 12, 2025
Johnson City, Tennessee

The East Tennessee State University Board of Trustees' Finance and Administration Committee met on Friday, September 12, 2025, at 10:30 a.m. in the East Tennessee Room of the D.P. Culp Student Center.

I. Call to Order

Committee Chair Steve DeCarlo called the meeting to order at 10:30 a.m. and welcomed new committee members Trustee Grant Summers and Trustee Aashi Vora.

II. Roll Call

Board Secretary Dr. Adam Green conducted the roll call. The following committee members were physically present:

Chair Steve DeCarlo
Trustee Melissa Steagall-Jones
Trustee Grant Summers
Trustee Aashi Vora

Other Trustees present were Janet Ayers, Wade Farmer, Dr. Steph Frye-Clark, Dorothy Grisham, Jon Lundberg, Ron Ramsey, and Tony Treadway.

III. Approval of the Committee Minutes from May 23, 2025

The minutes from the May 23, 2025, meeting of the Finance and Administration Committee were approved as submitted. Trustee Grant Summers made the motion to approve, and Trustee Melissa Steagall-Jones seconded the motion. The motion passed unanimously.

IV. Voyager Update

Dr. Karen King, Chief Information Officer, presented a report on ETSU's July 1, 2025, transition to Oracle's Fusion Cloud, a system that streamlines all human resources, finance, procurement, and payroll functions. Generally, the transition has gone very smoothly, Dr. King reported. The university is utilizing extended support from

deployment partner Huron through the end of October. Dr. King told the committee that work is taking place on defect resolution, although there are no critical defects. Knowledge transfer to ETSU's technical team is now taking place, with the ultimate goal of running the system on our own. Dr. King added that the university has entered into a contract with Huron for some managed services for next year to get us through the system's quarterly updates.

Dr. King then reviewed ETSU's support model, training metrics, and training resources and shared information on the number of visits to the university's Voyager website. Since June, she said, there have been 40,000 sessions on the website. Help Desk statistics show some 1,700 tickets submitted. Ms. Christy Graham, Chief Financial Officer, recognized members of the Voyager Implementation Team from Human Resources, Finance, and Information Technology, commending them for their work, personal sacrifice, and commitment of more than three years to the project.

Trustee Frye-Clark added support for the staff commitment involved in the transition while conveying concerns from faculty on the system's rollout. Ms. Graham emphasized the stressful nature of the conversion and indicated that concerns will be addressed. She said a list of improvements and additional enhancements is already being compiled.

Committee Chair DeCarlo and Board Chair Steagall-Jones both had high praise for the Voyager Implementation Team, and President Noland echoed that appreciation, noting the long hours worked by staff over a long period of time to make the transition successful. Dr. Noland announced the creation of a post-implementation task force, chaired by Dr. Tony Norman, to allow the campus to provide suggestions or adjustments to enhance the Voyager platform

V. Quarterly Financial Update

Ms. Graham began her presentation by describing in detail key accounting changes, which she described as "substantial," affecting how financial information is reported. She said the change with the largest impact involves Governmental Accounting Standards Board (GASB) 101, compensated absences, which include vacation time, sick time, and other forms of paid time off. Ms. Graham explained the impact of this change on how the university reports its financial position. Under the old rules, she said, obligation for unused leave was not fully recognized until that leave was taken or paid out. GASB 101 now requires the university to record the liability as soon as leave is earned and accumulated, rather than waiting until it is used. Ms. Graham pointed out that this is occurring nationwide.

The second change involves guidelines from the National Association of College and University Business Officers (NACUBO) on how institutions account for scholarship allowances. Ms. Graham indicated that the impact of this change is also significant. The revised guidance changed how we report institutional aid, aligning us with peer institutions and adding a measure of comparability across institutions. Now, all forms of

institutional aid and grant-based aid, including Pell Grants, that directly reduce the student's tuition bill must be recorded as a reduction in revenue, not as an expense. Ms. Graham told the committee that this does not change the actual level of aid we provide to students, nor does it affect cashflow, but it does shift the way our financial statements look. Although the numbers are skewed from FY24 to FY25, she underscored the fact that our bottom line and net position have not changed.

Ms. Graham reported that ETSU ended the fiscal year in a solid financial position. There was a slight increase in state appropriations, an increase in tuition revenues prior to the scholarship allowance calculation, and growth in grants and contracts. While expenses did increase, she said, they reflect intentional investments in people, programs, and facilities. The university's assets increased by \$53 million, primarily because of a \$39 million increase in construction. Liabilities increased by nearly \$38 million, mainly because of the implementation of GASB 101. Capital assets, Ms. Graham said, show that the university continues to invest strategically in facilities and technology.

Examining the university's debt profile, Ms. Graham noted that we have outstanding debt that decreased from \$154 million to \$148 million, with the largest portion being bonds, totaling \$126 million. Ms. Graham concluded this part of her presentation by emphasizing that the university is in a strong financial position.

VI. Quarterly Report of Agreements \$250,000 or Greater

Ms. Graham shared the following information on contracts and purchase orders with the committee:

- A five-year contract with Daktronics/Huntington National Bank in the total amount of \$1,577,400 for LED video scoreboard and ribbons for Freedom Hall
- A five-year contract with Tri-Cities Regional Emergency Physicians to teach adult and pediatric medicine to medical students and residents in the total amount of \$1,300,000
- A three-year contract with Johnson City Transit-Bucshot for student transportation, in the total amount of \$677,038
- A \$409,869 contract with Huron Consulting Services for extended hypercare support, through October 31, 2025
- A \$283,454 contract with Dell Computer Corporation for the 2025 summer PC Lab rollout
- A \$737,111 contract with NextGen Security for the access control upgrade
- A \$433,068 contract with Echosens North America for two Fibroscan units for Internal Medicine

Ms. Graham added that there is one RFQ in process for Nursing SIM equipment, in the estimated amount of \$2,000,000 for a one-time purchase.

President Noland noted that the NextGen Security contract represents the next investment in locks and systems that increase the level of campus security. And, he explained, the Daktronics contract is important in the university's continuing discussions with the City of Johnson City regarding the lease for Freedom Hall, as investments are needed for new scoreboards, new video boards, and new sound.

VII. Other Business

There was no other business to come before the committee.

VIII. Adjournment

The meeting was adjourned at 11:20 a.m.

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

ACTION ITEM

DATE: November 14, 2025

ITEM: Approval of FY26 October Revised Budget

COMMITTEE: Finance and Administration

RECOMMENDED ACTION: Approve

PRESENTED BY: Christy Graham
Chief Financial Officer and
Vice President of Business and Finance

In compliance with Tennessee Code Annotated 49-8-203 (a) (10 (C), ETSU Budget Control Policy requires three budgets be prepared each year and submitted to the Board of Trustees for approval. The university prepares budgets for the one formula funded unit (Main Campus) and three non-formula units (College of Medicine, Family Medicine, and College of Pharmacy). The three budgets prepared each year are:

- 1) The proposed budget to fund the fiscal year beginning July 1;
- 2) The revised fall budget that is prepared after the fall enrollment cycle and financial statement preparation for the prior fiscal year; and
- 3) The estimated spring budget that is submitted at the same time as the proposed budget for the next fiscal year.

The Board will consider the October 2025 revisions to the 2025-26 budgets for the one formula funded unit and three specialized units. During the May 23, 2025, meeting, the Board of Trustees adopted the proposed 2025-26 budgets for the university. The proposed budgets for the fiscal year are based on the estimates for revenue and expenditures as of the time the budget is prepared. The fall enrollment and adjusted appropriation figures for revenue budgets have been received, along with adjustments from fiscal year-end closing that provides for the carryforward of budgets for operational expenses. Contained within the October 2025 revised budgets is a 2.3% salary enhancement, with a ceiling of \$7,500, for ETSU regular employees on the main campus, the Quillen College of Medicine and the Gatton College of Pharmacy. The details of the original and revised budgets are outlined in the following materials.

MOTION: I move that the Board of Trustees adopt the October revisions to the 2025-26 university budget.

RESOLVED: Upon the recommendation of the Finance and Administration Committee, the Board of Trustees approves the university's October revisions to the 2025-26 university budget.

FT Unrestricted and Auxiliary Positions	Original 25-26	October Revised	Increase (Decrease)
Faculty	716	715	-1
Administration	41	40	-1
Maint/Tech/Support	400	395	-5
Professional Support	601	600	-1
Sub Total	1758	1,750	-8
Auxiliaries	69	68	-1
Total	1827	1818	-9

Revenue	Actual 24-25 \$331,420,158.35	Original 25-26 \$330,461,610.00	October Revised \$338,366,640.00	Increase (Decrease) \$7,905,030.00	Addition of Carryforward	Total October Revised Budget \$338,366,640.00
<u>Expenditures and Transfers</u>						
Instruction	\$121,745,641.92	\$124,970,500.00	\$126,360,440.00	\$1,389,940.00	\$6,248,210.00	\$126,360,440.00
Research	7,023,039.31	7,979,000.00	8,288,780.00	309,780.00	6,523,910.00	8,288,780.00
Public Service	4,792,936.22	5,337,400.00	5,346,080.00	8,680.00	1,420,060.00	5,346,080.00
Academic Support	26,849,800.28	29,420,900.00	29,726,830.00	305,930.00	8,744,450.00	29,726,830.00
Student Services	34,375,444.59	33,545,700.00	34,238,010.00	692,310.00	1,049,040.00	34,238,010.00
Institutional Support	22,017,116.55	25,702,800.00	27,895,520.00	2,192,720.00	7,588,070.00	27,895,520.00
Facilities	21,717,014.47	25,873,000.00	25,829,860.00	(43,140.00)	245,740.00	25,829,860.00
Scholarships	26,342,901.91	28,754,800.00	29,089,920.00	335,120.00	17,000.00	29,089,920.00
Total before transfers	264,863,895.25	281,584,100.00	286,775,440.00	5,191,340.00	31,836,480.00	286,775,440.00
Debt Service	5,733,754.68	5,309,100.00	5,309,100.00	-		5,309,100.00
Non-Mandatory Transfers	11,376,646.85	4,915,700.00	7,142,820.00	2,227,120.00	3,244,910.00	7,142,820.00
Auxiliaries Exp & Tnfrs	36,541,318.11	38,416,300.00	39,411,400.00	995,100.00		39,411,400.00
Total	\$318,515,614.89	\$330,225,200.00	\$338,638,760.00	8,413,560.00	35,081,390.00	\$338,638,760.00

Quillen College of Medicine October Revised Budget

	Actual 24-25	Original 25-26	October Revised	Increase (Decrease)
Revenue	80,658,794.28	86,671,370.00	89,604,710.00	2,933,340.00
<u>Expenditures and Transfers</u>				
Instruction	64,485,305.63	61,250,680.00	61,322,860.11	72,180.00
Research	4,402,524.95	5,031,020.00	5,063,330.00	32,310.00
Academic Support	8,797,170.79	9,092,100.00	9,201,150.00	109,050.00
Student Services	3,550,820.60	4,080,590.00	4,082,540.00	1,950.00
Institutional Support	4,116,515.96	3,968,540.00	3,968,920.00	380.00
Facilities	5,376,723.91	7,537,310.00	7,648,320.00	111,010.00
Scholarships	260,000.00	260,000.00	260,000.00	
Total before transfers	90,989,061.84	91,220,240.00	91,547,120.00	326,880.00
Debt Service	98,664.29	106,900.00	106,900.00	-
Non-Mandatory Transfers	(847,582.34)	(4,525,770.00)	(4,525,770.00)	-
Total	90,240,143.79	86,801,370.00	87,128,250.00	326,880.00

FT Unrestricted Positions	Original 25-26	October Revised	Increase (Decrease)
Faculty	167	167	0
Administration	5	5	0
Maint/Tech/Support	102	102	0
Professional Support	112	112	0
Total	386	386	0

Family Medicine October Revised Budget

	Actual 24-25	Original 25-26	October Revised	Increase (Decrease)
<u>Revenue</u>	22,640,102	22,366,000	22,632,000	266,000
<u>Expenditures and Transfers</u>				
Instruction	16,817,241	16,233,670	17,717,770	1,484,100
Research	63,379	309,680	294,280	(15,400)
Public Service	50	-		
Academic Support	6,226,643	4,718,660	4,819,870	101,210
Institutional Support	1,371,055	1,805,590	1,827,500	21,910
Facilities	433,542	412,500	996,770	584,270
Total before transfers	24,911,910	23,480,100	25,656,190	2,176,090
Non-Mandatory Transfers		1,039,100	(5,925,970)	(6,965,070)
Total	24,911,910	24,519,200	19,730,220	(4,788,980)

<u>FT Unrestricted Positions</u>	Original 25-26	October Revised	Increase (Decrease)
Faculty	34	34	-
Administration	-	-	-
Maint/Tech/Support	52	52	-
Professional Support	30	30	-
Total	116	116	-

Gatton College of Pharmacy October Revised Budget

	Actual 24-25	Original 25-26	October Revised	Increase (Decrease)
Revenue	\$ 8,749,129	\$ 9,613,000	\$ 9,316,300	\$ 300
<u>Expenditures and Transfers</u>				
Instruction	\$ 4,051,367	\$ 3,977,100	\$ 4,000,200	\$ 23,100
Research	249,128	500,100	570,900	7,800
Public Service	536,149	507,500	685,900	178,400
Academic Support	1,995,324	2,276,100	2,282,900	6,800
Student Services	1,022,867	804,700	832,700	28,000
Institutional Support	565,982	556,900	563,200	6,300
Facilities	455,164	415,500	415,400	(100)
Scholarships	367,568	569,100	569,100	-
Total before transfers	9,243,550	9,607,000	9,857,300	250,300
Debt Service	675,352	672,400	661,000	(11,400)
Non-Mandatory Transfers	(155,536)	(666,400)	(1,588,660)	(922,300)
Total	\$ 9,763,367	\$ 9,613,000	\$ 8,929,700	\$ (683,300)

FT Unrestricted Positions	Original 25-26	October Revised	Increase (Decrease)
Faculty	30	30	-
Administration	1	1	-
Maint/Tech/Support	12	12	-
Professional Support	11	11	-
Total	54	54	-

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: November 14, 2025

ITEM: Quarterly Financial Update

COMMITTEE: Finance and Administration

PRESENTED BY: Christy Graham
Chief Financial Officer and
Vice President of Business and Finance

The tables below summarize financial activities for the university through June of fiscal year 2025-26. The comparison is current year to prior year for the same twelve-month period.

Table 1 – Unrestricted E&G Revenues by Unit and Revenue Source

Unrestricted E&G Year-to-Year Comparisons Year-to-Date 9-30-2024 & 9-30-2025				
	FY2024-25	FY2025-26	Change	
			\$	%
REVENUES				
By Appropriation Unit				
Main Campus	\$112,759,457	\$117,132,572	\$4,373,115	3.9%
Medicine/Family Med	25,024,147	29,264,369	4,240,222	16.9%
Pharmacy	3,491,884	3,524,629	32,745	.9%
TOTAL REVENUE	\$141,275,489	\$149,921,570	\$8,646,081	6.1%
By Revenue Source				
Tuition and Fees	\$86,339,986	\$91,738,578	5,398,592	6.3%
State Appropriations	42,115,300	43,407,300	1,292,000	3.1%
Grants, Contracts, Gifts	1,757,194	1,614,678	(142,516)	(8.1%)
Other	11,063,009	13,161,014	2,098,005	19.0%
TOTAL REVENUE	\$141,275,489	\$149,921,570	\$8,646,081	6.1%

Table 2 – Unrestricted E&G Expenditures by Appropriation Unit and Classification

Unrestricted E&G Year-to-Year Comparisons Year-to-Date 9-30-2024 & 9-30-2025				
	FY2024-25	FY2025-26	\$	Change %
EXPENDITURES				
By Appropriation Unit				
Main Campus	\$74,675,084	\$76,452,670	\$1,777,586	4.5%
Medicine/Family Med	22,085,459	22,894,359	808,900	3.7%
Pharmacy	2,319,729	2,174,172	(145,557)	(6.3%)
TOTAL EXPENSE	\$99,080,272	\$101,521,202	\$2,440,930	2.5%
By Natural Classification				
Salaries & Benefits	\$67,015,267	\$71,066,478	\$4,051,211	6.0%
Operating	15,208,955	16,810,966	1,602,011	10.5%
Capital/Equipment	151,889	266,483	114,594	75.4%
Scholarships/Fellowships	13,591,599	14,916,199	1,324,600	9.7%
Transfers to Other Funds	3,112,562	(1,538,924)	(4,651,486)	(149.4%)
TOTAL EXPENSE	\$99,080,272	\$101,521,202	\$2,440,930	2.5%
By Functional Classification				
Instruction	\$44,533,227	\$47,543,468	\$3,010,241	6.8%
Research	1,866,509	1,832,758	(33,751)	(1.8%)
Public Services	1,224,984	1,293,816	68,832	5.6%
Academic Support	10,099,474	10,079,369	(20,105)	(0.2%)
Student Services	9,193,994	8,079,565	(1,114,429)	(12.1%)
Institutional Support	8,791,100	12,635,525	3,844,425	43.7%
Physical Plant	6,670,543	6,558,059	(112,484)	(1.7%)
Scholarships/Fellowships	13,591,599	14,953,141	1,361,542	10.0%
Transfers to Other Funds	3,108,842	(1,454,499)	(4,563,341)	(146.8%)
TOTAL EXPENSE	\$99,080,272	\$101,521,202	\$2,440,930	2.5%

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: November 14, 2025

ITEM: Annual Presentation of Tuition Transparency Report

COMMITTEE: Finance and Administration

PRESENTED BY: Christy Graham
Chief Financial Officer and
Vice President of Business and Finance

As outlined in Tennessee Code Annotated §4-7-1604, institutions are required to annually submit information to the General Assembly related to the utilization of tuition and fee revenue to support the mission of the campus. Specifically, Tennessee Code reads as follows:

§4-7-1604

“By February 1 of each year, each governing board shall provide a report to the office of legislative budget analysis, for distribution to the general assembly, with information regarding expenditures of revenue derived from any tuition and fees increase in the previous full academic year. The report shall include how revenues were used, the effect on student financial aid, and the effect on the average total cost of attendance per student.”

The following report will be delivered to the Office of Legislative Budget Analysis on behalf of the ETSU Board of Trustees.



Compliance with 2018 Public Acts, Chapter 614

Tuition Transparency and Accountability Act

T.C.A. §49-7-1604

By February 1 of each year, each governing board shall provide a report to the office of legislative budget analysis, for distribution to the general assembly, with information regarding expenditures of revenues derived from any tuition and fees increase in the previous full academic year. The report shall include how revenues were used, the effect on student financial aid, and the effect on the average total cost of attendance per student.

For Fiscal Year 2024-25	
Total Tuition and Mandatory Fee increase @ 15 credit hours	5.25%

Tuition Sources and Uses	
Tuition increase of 5.36% = \$5,134,310	
Effect of Average Cost of Attendance per student = \$213 per semester @ 15 credit hours	
Effect on Student Financial Aid = +\$593,700	
Uses of Revenues	Dollars
Match requirement for salary improvement	\$2,251,200
Additional 1% salary enhancement	\$1,671,800
Increase in scholarships	\$593,700
Inflationary Costs	\$617,610

Other Mandatory Fees Sources and Uses	
Other Mandatory Fees increase of 4.8% = \$1,242,400; fee caps at 8 credit hours	
Effect of Average Cost of Attendance per student = \$48 per semester @ 8 credit hours	
Effect on Student Financial Aid = None	
Uses of Revenues	Dollars
Student Activities	\$95,735
Post Office	\$99,815
Campus Access	\$777,646
Center for Physical Activity	\$269,204

EAST TENNESSEE STATE UNIVERSITY
BOARD OF TRUSTEES

INFORMATION ITEM

DATE: November 14, 2025

ITEM: Quarterly Report of Agreements \$250,000 or Greater

COMMITTEE: Finance and Administration

PRESENTED BY: Christy Graham
Chief Financial Officer and
Vice President of Business and Finance

Included below is a list of agreements with amounts totaling \$250,000 or greater processed during the period of July 2025 – September 2025, as well as RFQs that are upcoming or in progress.

Contract/PO Date**July – September 2025: Contracts/Purchase Orders*****Fiscal Review**

Start	End	Contractor	Description of Services/ Products	Contract/PO Amount	\$ Annual Contract	Competitive	Approval
09/01/2025	09/30/2028	Huron Consulting Services, LLC	Huron's Oracle Cloud DMA SOW-Support, Subscription & Value-Add Svc Contract	\$1,509,000	\$503,000	No	N/A
07/01/2025	06/30/2030	WT Cox	Library subscription services Contract	\$2,664,484	\$465,017	Yes	N/A
08/29/2025	08/28/2026	CDW Government, Inc	Microsoft 365 Subscription Service for campus, EPO-0006481	\$610,071	\$610,071	Yes	N/A

**This report does not include contracts or agreements associated with revenue, software/systems maintenance agreements, contracts with the federal government, and construction projects which are approved through the State Building Commission.*

RFQ/RFPs –In-Process and Upcoming

- Nursing SIM Equipment RFQ
 - Fall 2025 – estimated up to \$2,000,000 for one-time purchase
- Website Design and Hosting RFP
 - Fall 2025 – Estimated up to \$50,000 - \$100,000 annually for hosting
 - Estimated up to \$100,000 - \$150,000 Website design one time cost